



DEPARTMENT OF THE NAVY
NAVAL SCHOOL OF HEALTH SCIENCES
BETHESDA MARYLAND 20889-5611

NSHSBETHINST 4235.2E
01

30 JUL 2002

NSHS BETHESDA INSTRUCTION 4235.2E

From: Commanding Officer

Subj: PROPERTY ACCOUNTABILITY PROGRAM

Ref: (a) SECNAVINST 7320.10
(b) NAVMED P-5132
(c) NSHSINST 4235.3A
(d) NSHSINST 5530.1F

1. **Purpose.** To establish policy and procedures in accordance with references (a) through (d), regarding property accountability at Naval School Health Sciences (NSHS), Bethesda.
2. **Cancellation.** NSHSBETHINST 4235.2D
3. **Action.** Directors and Department Heads will ensure compliance with the provisions of this instruction. The Command Equipment Program Review Committee (EPRC) will review this instruction annually and submit any changes to the Commanding Officer for approval. Responsibilities of the EPRC are outlined in reference (c).
4. **Background.** Audits and inspections reveal the need for improved property accountability at Bureau of Medicine and Surgery (BUMED) managed activities. Implementation of reference (a) is the recommended solution for the deficiency in property accountability. Therefore, each command must tailor their individual equipment management program to match the requirements outlined in references (a) and (b).
5. **Definitions.**
 - a. **Capital property.** Equipment items with a cost of \$100K or greater. Centrally funded and managed at the Naval Medical Logistics Command (NMLC) with Other Procurement (OP) funds. Budget plans for this multi-year appropriation must be submitted three years out. Individual commands do not have OP funds to purchase capital equipment.
 - b. **Minor property.** Equipment items with a cost greater than the property accountability threshold, (currently \$5,000), and less than the capital threshold, (currently \$100,000). Items

that meet the pilferable definition (less than the property accountability threshold, mission critical, easily converted to personal, and difficult to repair or replace), are also classified as minor property.

c. Sub-Minor property. Items less than or equal to the accountability threshold that do not meet the pilferable criteria. There are no property accountability requirements unless established at the local level.

d. Responsible Officer/Hand-Receipt Holder (RO). The individual assigned responsibility for equipment in a particular area. Typically, resides at the department head and/or directorate level.

6. Policy. It is the policy of this command to ensure proper procedures are established to account for all capital, minor and pilferable property.

7. Responsibilities. All persons entrusted with Government property are responsible for its custody, care, proper use, and safekeeping. Any person may incur responsibility by being a user.

a. The Commanding Officer has overall responsibility for ensuring that all command personal property is properly maintained, safeguarded, accounted for, and accurately reported in accordance with reference (a).

b. The Executive Officer will be the approving official for all Missing, Lost, Stolen, or Recovered (MLSR) property reports (DD 200s) in accordance with reference (d).

c. The Personal Property Manager (PPM) shall be designated in writing by the Commanding Officer and is responsible for: implementing the policies and procedures established by this instruction and references (a) and (b), training for personal property personnel, ensuring personal property system data security and integrity, and coordinating physical inventories.

d. The Responsible Officer/Hand Receipt Holder (RO) is responsible for ensuring the due care and safekeeping of personal property assigned to their custody or the custody of persons reporting to them. Local policy requires that the RO:

(1) Ensure equipment transfers, loans, surveys, and other property status changes are coordinated through the PPM and specific PPM guidance is followed.

(2) Appoint a Departmental Equipment Representative to be the point of contact for all routine issues regarding the departmental equipment inventory.

(3) When required, coordinate equipment inventories within their individual departments and assist with any required physical inventory.

(4) Ensure the proper turnover of departmental property when individual RO detaches. Custody of equipment not properly transferred becomes the responsibility of the appropriate director or other immediate supervisor to the RO.

(5) Ensure the PPM and the command physical security officer are immediately notified when theft of an equipment item(s) is suspected. Additionally, he/she will complete any required documentation for the suspected theft or loss, as directed by the physical security officer.

e. The Security Officer is responsible for:

(1) Ensuring adequate internal controls and safeguards are established to prevent loss of command property.

(2) Investigating all reports of theft of government property and completing any internal and external reporting requirements in accordance with reference (d).

(3) Report any information regarding missing, lost, stolen, or recovered (MLSR) equipment to the PPM.

8 Procedures.

a. Equipment Receiving & Bar Coding. All equipment meeting the property accountability threshold of \$5,000 and any equipment determined to be pilferable in accordance with reference (a), must be barcoded and input into the Defense Property Accountability System (DPAS) within seven calendar days of receipt. The following are the equipment receiving and bar coding procedures that will be used:

(1) The Receiving Division of the Materials Management Department will receive any equipment item required to be bar coded and notify the PPM, also located in Materials Management. The PPM will properly bar code the piece of equipment, enter the proper information into DPAS and coordinate delivery or pick-up with the end user. The end-user will sign for the equipment. Documentation of receipt and issue to the end user will be maintained by the PPM in the individual RO folder. In the instance an equipment item is delivered directly to the end user from the vendor or is delivered from the receiving division of

the Materials Management Department without a bar code, the end user shall immediately notify the PPM for appropriate action.

(2) The Management Information Systems Department (MISD) will be notified when Information Technology (IT) equipment has been received and bar coded. The MISD is responsible for all IT equipment and will store the equipment until proper installation at the end user level can be accomplished. After IT equipment is delivered to the end user, the property accountability record will be annotated to reflect the proper RO and location of the equipment.


b. Physical Inventories. Physical inventories of personal property are required at least once every 3 years for capitalized, minor and pilferable personal property; at least annually for equipment on loan; when there is a change in the RO; whenever directed by the Commanding Officer; and as required by the Federal Acquisition Regulation (FAR) for government personal property in the possession of contractors. The responsibilities, outlined in more detail in reference (a), are as follows:

(1) The PPM shall initiate the physical inventory process in cooperation with the RO. However, the RO shall not be involved in conducting the physical inventory of the property for which they have responsibility. Another RO may perform physical inventories without affecting independence. Additionally, the PPM shall coordinate the inventory schedule for the command, assign teams to conduct physical inventories, assign physical inventory validation team leaders, provide training to all inventory team members on proper inventory procedures and provide all necessary information and tools to complete the inventory in accordance with reference (a).

(2) The RO shall be responsible for physical inventory of assets as directed by the PPM. The PPM shall also control the additions, deletions and movements of personal property items being counted during the physical inventory process and segregate any property items that are not required to be counted to avoid confusion during the actual physical inventory count.

(3) The Physical Inventory Validation Team Leader shall assign individual team members to perform the physical inventory, provide inventory listings to each team, answer team's questions during process, ensure team members are aware of proper inventory procedures, and ensure all team members sign physical inventory documents before forwarding to RO.

9. **Action**. All persons assigned as responsible officers for equipment will ensure compliance with the provisions of this instruction.



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